

# SENATE RECORD VOTE ANALYSIS

104th Congress  
1st Session

Vote No. 512

October 26, 1995, 10:49 p.m.  
Page S-15829 Temp. Record

## BALANCED BUDGET RECONCILIATION/Highway Demonstration Projects

**SUBJECT:** Balanced Budget Reconciliation Act of 1995 . . . S. 1357. Byrd/Ford amendment No. 2972.

### ACTION: AMENDMENT REJECTED, 46-53

**SYNOPSIS:** As reported, S. 1357, the Balanced Budget Reconciliation Act of 1995, will result in a balanced budget in seven years, as scored by the Congressional Budget Office (CBO). The bill will also provide a \$245 billion middle-class tax cut, \$141.4 billion of which will be to provide a \$500 per child tax credit.

**The Byrd/Ford amendment** would strike the bill's rescission of \$712 million for highway demonstration projects funded in the Intermodal Surface Transportation Efficiency Act (ISTEA) and in earlier appropriations acts. As an offset, it would phase out over 4 years the tax deduction presently allowed for the interest paid on company-owned life insurance policies (the bill will phase out this deduction over 5 years).

**Those favoring** the amendment contended:

The road to prosperity will not be reached by refusing to build roads. Most Federal Government spending involves simple transfer payments. Money is taken from taxpayers and is redistributed to other Americans who spend it on products and services that they use. It is not spent to create new production. Money spent by the Government building roads definitely boosts production, though. Wherever new roads are built new industries and jobs follow. A prerequisite to a thriving economy is a sound transportation infrastructure. Given these facts, we find it unfortunate that this bill will rescind \$712 million in funds appropriated to build highways in 48 States of the Union. We have therefore proposed this amendment, to restore all \$712 million. To offset this cost, the amendment would accelerate the phasing out of a tax deduction that both the Senate and the House have decided to eliminate. The Senate bill will eliminate the tax deduction in 5 years; the House will eliminate it in 4 years. By going along with the House's provision, ample savings will be achieved to pay for these highway projects, most of which are already underway. If the Byrd amendment is rejected, 48 States are going to have to pick up the extra costs to complete these highways. We think this result is unfair and unwise. We urge

(See other side)

YEAS (46)			NAYS (53)			NOT VOTING (0)	
Republicans (7 or 13%)	Democrats (39 or 85%)		Republicans (46 or 87%)	Democrats (7 or 15%)		Republicans (0)	Democrats (0)
Abraham	Akaka	Inouye	Ashcroft	Hatch	Bingaman		
Hatfield	Baucus	Johnston	Bennett	Helms	Bradley		
Jeffords	Biden	Kennedy	Bond	Hutchison	Graham		
McConnell	Boxer	Kerrey	Brown	Inhofe	Hollings		
Pressler	Breaux	Kohl	Burns	Kassebaum	Kerry		
Specter	Bryan	Lautenberg	Campbell	Kempthorne	Lieberman		
Stevens	Bumpers	Leahy	Chafee	Kyl	Nunn		
	Byrd	Levin	Coats	Lott			
	Conrad	Mikulski	Cochran	Lugar			
	Daschle	Moseley-Braun	Cohen	Mack			
	Dodd	Moynihan	Coverdell	McCain			
	Dorgan	Murray	Craig	Murkowski			
	Exon	Pell	D'Amato	Nickles			
	Feingold	Pryor	DeWine	Roth			
	Feinstein	Reid	Dole	Santorum			
	Ford	Robb	Domenici	Shelby			
	Glenn	Rockefeller	Faircloth	Simpson			
	Harkin	Sarbanes	Frist	Smith			
	Heflin	Simon	Gorton	Snowe			
		Wellstone	Gramm	Thomas			
			Grams	Thompson			
			Grassley	Thurmond			
			Gregg	Warner			

#### EXPLANATION OF ABSENCE:

- 1—Official Business
- 2—Necessarily Absent
- 3—Illness
- 4—Other

#### SYMBOLS:

- AY—Announced Yea
- AN—Announced Nay
- PY—Paired Yea
- PN—Paired Nay

our colleagues to cast their votes for America's future by voting in favor of the Byrd amendment.

**Those opposing** the amendment contended:

We appreciate our colleagues' ardor for their amendment, but unlike they, we do not equate a vote in favor of the Byrd amendment as a vote in favor of America's future. Instead, we respectfully suggest that a vote in favor of the amendment is a vote to treat businesses unfairly and States unequally. Businesses that use the current deduction for the interest paid on company-owned life insurance policies adopted those policies based at least partially on the existence of this tax deduction. Eliminating the deduction unquestionably will harm many businesses. To lessen the impact, we should gradually eliminate the deduction, which will give businesses time to adjust. Without going into tremendous detail due to time constraints, the appropriate length of the phase-out period was subject to a great deal of negotiation in the Finance Committee. After considering the issue, the Finance Committee decided that a 5-year phase-out period was appropriate. The Byrd amendment would use the additional tax collections from a 4-year phase-out period to pay for restoring the proposed rescissions of highway demonstration projects. Even with a totally acceptable funding source we would oppose this restoration. So-called highway demonstration projects do not provide funding for transportation needs based on merit; instead, they are earmarked projects that are made by Congress. Typically, projects are in the States of powerful Members of Congress, which has led many observers to comment that all demonstration projects demonstrate is who in Congress is powerful enough to demand scarce transportation dollars. We oppose highway demonstration projects, preferring instead to distribute transportation funds by merit-based formulas. We also oppose accelerating the phasing out of the interest deduction on company-owned life insurance policies. Accordingly, we urge the rejection of the Byrd amendment.